

## **Hearing Outcomes**

**Subcommittee No. 3:** Thursday, May 18, 2006 (Room 4203)

### **Vote-Only Agenda**

#### **4140 Office of Statewide Health Planning and Development**

- Vote-Only Issue 1: Hospital Seismic Safety  
**Action:** Approve the May Revision requests, and adopt placeholder trailer bill language to provide statutory authority for the training program. **Vote:** 3-0

#### **4170 California Department of Aging**

- Vote-Only Issue 2: Multipurpose Senior Services Program  
**Action:** Approve \$6 million (\$3 million General Fund) additional funding for MSSP. In addition, to align MSSP program management and funding, consolidate all funding for MSSP in CDA (shift existing MSSP funding in DHS to CDA). **Vote:** 2-1 (Cox)

#### **4200 Department of Alcohol and Drug Programs**

- Vote-Only Issue 3: Drug Medi-Cal  
**Action:**
  - A. Approve the May Revision Drug Medi-Cal caseload adjustments to increase funding by \$7.6 million (\$4.2 million General Fund). **Vote:** 3-0
  - B. Adopt placeholder trailer bill language to limit Narcotic Treatment Center fee increases to CPI increases. **Vote:** 3-0
- Vote-Only Issue 4: Drug Medi-Cal – Conlan Implementation  
**Action:** Approve the request for \$5.3 million (\$2.7 million General Fund) and 4.0 two-year limited term positions to comply with the court ordered mandates associated with the *Conlan v. Bontá* and *Conlan v. Shewry* lawsuits. **Vote:** 2-1 (Cox)
- Vote-Only Issue 5: Drug Courts  
**Action:** Increase CDCI Drug Court funding by \$4 million General Fund to expand the Adult (Felony) Drug Court program. **Vote:** 3-0

#### **4700 Department of Community Services and Development**

- Vote-Only Issue 6: Naturalization Services Program  
**Action:** Provide an additional \$1.5 million General Fund for this program, and adopt placeholder trailer bill language to codify NSP. **Vote:** 2-1 (Cox)

#### **5160 Department of Rehabilitation**

- Vote-Only Issue 7: Supported Employment Program  
**Action:** Approve \$3.9 million (\$2.4 million General Fund) additional funding to increase the job coaching hourly rate by 10 percent above the three percent increase proposed in the Governor's Budget, and increase the SEP placement payment for successful employment

from \$1000 to \$2000. Adopt placeholder trailer bill language to implement these changes.  
**Vote:** 2-0 (Cox abstaining)

### **5175 Department of Child Support Services**

- **Vote-Only Issue 8: May Revision Caseload and Technical Adjustments**
  - A.** Child Support Program Basic Federal Incentives.
  - B.** Collection Enhancement Programs Federal Incentives.
  - C.** Credit Card Fees for Non-Custodial Parents.
  - D.** Technical Adjustment: California Child Support Automation System.
  - E.** Federal Trust Fund and Child Support Recovery Fund Adjustment.
  - F.** Federal Trust Fund and Child Support Recovery Fund Flexibility Budget Bill Language.

**Action:** Approve issues A through E for May Revision caseload and technical adjustments. Amend issue F to require Legislative notification concurrent with adjustments to funding authority. **Vote:** 3-0

### **5180 Department of Social Services**

- **Vote-Only Issue 9: CWS/CMS**
  - A.** Planning and Procurement for CWS/CMS “New System” (April 17<sup>th</sup> Finance Letter)
  - B.** Extend Existing Vendor Maintenance Contract (May 8<sup>th</sup> Finance Letter)
  - C.** CWS/CMS Disaster Recovery Services (May 12<sup>th</sup> Finance Letter)
  - D.** CWS/CMS Workstations

**Action:** Reduce issue A by \$223,000. Approve issues B and C as requested in the May Revision. Approve issue D, funding for CWS/CMS workstation replacement.  
**Vote:** 3-0
- **Vote-Only Issue 10: CMIPS and CMIPS II Procurement**
  - A.** Office of Systems Integration (OSI) CMIPS II Procurement
  - B.** DSS Existing CMIPS
  - C.** Reappropriation of Independent Verification & Validation Funding for CMIPS II
  - D.** CMIPS Direct Deposit

**Action:** Approve issue A, B, and C. For issue D, redirect funding from CMIPS II procurement to fund CMIPS and SCO activities to implement direct deposit for IHSS providers in 2006-07, and adopt necessary placeholder trailer bill language. **Vote:** A 2-1 (Cox), B 3-0, C 3-0, D 2-1 (Cox)
- **Vote-Only Issue 11: SAWS and Other Automation Project Adjustments**
  - A.** SAWS Interface Testing.
  - B.** Interim SAWS (ISAWS) Migration.
  - C.** SAWS Legacy Systems Savings.
  - D.** Remove Price Increase for OSI.
  - E.** CalWIN Help Desk Staff.

**Action:** Approve issue A funding, but amend the proposed Budget Bill Language to express Legislative intent that development and testing of the SAWS CCSAS interface be considered a high priority for SAWS consortia, county welfare departments, the Department of Social Services, the Office of Systems Integration, the Department of Child Support Services, the Franchise Tax Board, and local child support agencies. Approve issues B, C, and D, and for

Issue E, adopt \$5 million (\$1.9 million General Fund) to accurately fund the cost of help desk staff. **Vote:** A, B, C, D 3-0, E 2-1 (Cox)

- Vote-Only Issue 12: May Revision Caseload Adjustments  
**Action:** Approve the May Revision adjustments in funding due to caseload updates, and adopt \$1.7 million General Fund savings in Adoptions Assistance Program due to revised caseload estimate identified by the LAO. **Vote:** 3-0
- Vote-Only Issue 13: Prospective Budgeting Estimate Adjustment  
**Action:** Approve the requested adjustment, and adopt an adjustment of \$9.6 million (\$3.4 million General Fund) for Food Stamp eligibility. **Vote:** 2-1 (Cox)
- Vote-Only Issue 14: 2004 Welfare Reform (SB 1104) Savings Adjustment  
**Action:** Amend the May Revision adjustment to reflect an additional \$5 million reduction in the estimated savings. **Vote:** 2-1 (Cox)
- Vote-Only Issue 14A: LAO CalWORKs Caseload Adjustment  
**Action:** Approve \$24 million TANF/MOE reduction to reflect LAO estimate. **Vote:** 3-0
- Vote-Only Issue 15: Stage 2 Child Care TANF Transfer Adjustment  
**Action:** Approve the May Revision. **Vote:** 3-0
- Vote-Only Issue 16: Rosales v. Thompson Adjustment  
**Action:** Approve the May Revision. **Vote:** 3-0
- Vote-Only Issue 17: Reappropriation Authority for Welfare Fraud Recovery Incentives  
**Action:** Approve the May Revision. **Vote:** 3-0
- Vote-Only Issue 18: Food Stamp Standard Utility Allowance Adjustment  
**Action:** Approve the May Revision. **Vote:** 2-1 (Cox)
- Vote-Only Issue 19: IHSS Share of Cost Adjustment  
**Action:** Approve the May Revision. **Vote:** 2-1 (Cox)
- Vote-Only Issue 20: Deficit Reduction Act of 2005: Impact to SSI/SSP  
**Action:** Approve the May Revision. **Vote:** 3-0
- Vote-Only Issue 21: Tyler v. Anderson  
**Action:** Approve the May Revision. **Vote:** 3-0
- Vote-Only Issue 22: IHSS Federal Waiver Program Requirements  
**Action:** Approve the May Revision. **Vote:** 3-0
- Vote-Only Issue 23: Conlan v. Shewry  
**Action:** Approve \$990,000 (\$495,000 General Fund) and establishment of 0.5 one-year limited-term position to comply with the pending *Conlan v. Shewry* court decision. Approve

BBL to allow transfer of funding to state operations, but amend the language to require Legislative notification. In addition, adopt BBL to require an estimate of the county impact of Conlan by October 1, 2006, and the provision of additional funding to counties to reflect increased workload. **Vote:** 3-0

- **Vote-Only Issue 24: IHSS Quality Assurance**  
**Action:** Conform to Assembly action taken on this issue on May 3<sup>rd</sup> as follows:
  - A. Adopt Supplemental Report Language to require DSS to report to the Legislature quarterly on the IHSS utilization data by county, task, and client level. The data will also report the number of exceptions by county, task and client level.
  - B. Adopt Budget Bill Language to require DSS to report at budget hearings on the impact of the IHSS QA regulations.**Vote:** 3-0
- **Vote-Only Issue 25: Administrative Hearings for IHSS**  
**Action:** Adopt amended provisional language to add Legislative notification. **Vote:** 3-0
- **Vote-Only Issue 26: Cash Assistance Program for Immigrants (CAPI)**  
**Action:** Reject the Governor's proposal and maintain the current ten-year deeming period for CAPI applicants. **Vote:** 2-1 (Cox)
- **Vote-Only Issue 27: Federal IV-E Funding Backfills**
  - A. CWS Case Management Costs
  - B. Backfill for CWS Training
  - C. Backfill CWS Program Improvement Costs
  - D. CWS Emergency Hotline Costs**Action:** Approve issues A, B, C, and D. **Vote:** 3-0
- **Vote-Only Issue 28: CWS Standardized Statewide Training**  
**Action:** Approve the May Revision. **Vote:** 2-1 (Cox)
- **Vote-Only Issue 29: Title IV-E Waiver**  
**Action:** Approve the requested funding. Amend the budget bill language to include Legislative notification. Adopt the trailer bill language as placeholder language, and add provisions that provide flexibility in allowing the \$10 million to be used for either the waiver or AB 636 outcome improvements. **Vote:** 2-1 (Cox)
- **Vote-Only Issue 30: Group Home Audit Threshold**  
**Action:** Adopt Placeholder Trailer Bill Language to set the audit threshold for group homes at the level reimbursed by the federal government. **Vote:** 3-0
- **Vote-Only Issue 31: Group Home Rate Relief Provisions**  
**Action:** Approve placeholder trailer bill language to continue group home rate relief in 2006-07. **Vote:** 3-0

- **Vote-Only Issue 32: Community Care Licensing Caseload Transfer**  
**Action:** Approve the requested shift from local assistance to state operations to reflect the shift in licensing workload from Marin County to DSS Community Care Licensing.  
**Vote:** 3-0
- **Vote-Only Issue 33: Community Care Licensing Web Site**  
**Action:** Revise previous action on this issue, and conform to Assembly. Adopt \$366,000 General Fund and 3.0 positions. **Vote:** 3-0

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### **Discussion Agenda**

#### **5175 Department of Child Support Services**

- **Issue 1: Child Support Transitional Arrearages**  
**Action:** Approve the requested funding and language. **Vote:** 3-0

#### **5180 Department of Social Services**

- **Issue 1: CalWORKs – TANF Reauthorization**  
**Action:** Adopt the Senate Democrats’ Plan for Response to TANF Reauthorization.  
**Vote:** 2-1 (Cox)
  - A. **Enhance Up-Front Engagement:** Redirect \$20 million TANF from the May Revision proposed Participation Improvement Project and \$10 million TANF from the proposed TANF reauthorization reserve to provide a total of \$30 million to encourage innovative engagement strategies.
  - B. **CalWORKs Education, Training, and Employment Collaborative:** Redirect \$25 million from the proposed TANF Reauthorization reserve to fund collaborative programs would emphasize activities that meet federal requirements, but give participants skills that will help them achieve long-term self-sufficiency.
  - C. **CalWORKs in Community Colleges:** Redirect \$9 million from the proposed TANF Reauthorization reserve to count \$9 million in Community College Prop 98 funding toward the TANF MOE.
  - D. **Sanctions Engagement Initiative:** Redirect \$40 million from the proposed TANF Reauthorization reserve to prevent sanctions by funding counties to engage non-compliant participants through personal contacts before a sanction is imposed. Eliminate barriers to complying by allowing families to come into compliance when they are in sanction status. To provide sanctioned families an incentive to re-engage, permit families that agree to meet work participation requirements to earn back the funds lost from the sanction.

- E. **CalWORKs Homelessness Prevention and Engagement:** Redirect \$10 million from the proposed TANF Reauthorization reserve for CalWORKs Homelessness prevention and support to prevent housing instability as a barrier to participation.
- F. **Increase Accountability:** Fund the Pay for Performance program at \$40 million annually, and clarify the counties' responsibility for potential federal penalties.
- G. **Restore Basic CalWORKs Program to 2004-05 Level:** Restore \$140 million for county CalWORKs programs to bring funding back to the actual 2004-05 spending level. Shift TANF out of Child Welfare Services and Foster Care to restore county funding.
- H. **Realign Foster Care and Child Welfare Services Funding:** Fund \$140 million Foster Care and Child Welfare with General Fund, rather than TANF. Adopt placeholder TBL to restrict the use of TANF for Foster Care and Child Welfare Services unless appropriated in Budget Act or authorized in BBL.
- I. **Shift Exempt Cases:** Fund Exempt CalWORKs cases with non-MOE General Fund. Adopt placeholder trailer bill language to express Legislative intent that these cases remain a high priority for engagement. Use other countable expenditures to meet the MOE requirement. (No Net General Fund cost or TANF/MOE impact.)
- J. **CalWORKs County Peer Review Program:** Redirect \$1.5 million from the TANF Reauthorization reserve for a CalWORKs county peer review program to identify and share best practices that enhance participation and engagement. Authorize state staff and contract funding, and budget bill language to authorize the establishment of additional positions and transfer of this funding between local assistance and state operations.
- K. **Research and Data Improvement:** Redirect \$2.5 million from the TANF Reauthorization reserve for state staff and contract funding for data improvement research, analysis, and reporting to understand caseload components, trends, and dynamics. Authorize state staff and contract funding, and Budget Bill Language that authorizes the establishment of additional positions and transfer of this funding between state operations and local assistance.
- L. **Plan for TANF Regulations:** Maintain \$15 million of the TANF Reauthorization reserve for automation and implementation activities related to pending June 30<sup>th</sup> federal regulations.
- M. **Conform Employment Training Fund Shift Back to Employment Training Panel**
- N. **Adopt necessary placeholder trailer bill language and budget bill language, including, but not limited to:**
  - a. Require counties to enact a sanctioned caseload engagement improvement plan by January 1, 2007

- b. Require counties to submit a caseload application, termination engagement plan that contains recommendations to reduce the wait time for engagement.
  - c. Clarify county responsibility to use county funding to backfill any federal penalty assessed on the state and passed on to the counties.
  - d. Establish a TANF reauthorization Stakeholder process in statute (similar to the Quality Assurance workgroup statute)
  - e. Require tracking of all cases over time.
  - f. ETP Transfer Reverse
  - g. Reject Governor's Budget current year reduction trailer bill language.
  - h. Foster Care/Child Welfare TANF restriction
  - i. New Kinship Care Program
  - j. Homeless Prevention Program
  - k. Sanctions Engagement strategies
  - l. Up-Front engagement strategies
  - m. Education, training, and employment collaborative: establish in statute, require outcomes measurement.
- **Issue 2: Regional Market Rate for CalWORKs Child Care**  
**Action:** Amend the requested adjustment to include \$399,000 additional funding.  
**Vote:** 2-1 (Cox)
- **Issue 3: Tribal TANF**  
**Action:** Adopt placeholder trailer bill language to revise the methodology to more accurately reflect structure and costs of Tribal TANF programs. **Vote:** 3-0  
**Action:** Increase funding for Indian Health Clinics by \$600,000. **Vote:** 2-1 (Cox)
- **Issue 4: Farm to Family Program**  
**Action:** Approve \$1 million General Fund for Farm to Family Program. **Vote:** 2-1 (Cox)
- **Issue 5: Foster Care and Child Welfare Services Improvement Package**
  - Issue 5A: Child Welfare Services Workload (SB 2030 Study)**  
**Action:** Approve \$50 million General Fund in 2006-07, annualized to \$75 million in 2007-08, to protect children's safety and move toward meeting the SB 2030 standard. Adopt placeholder trailer bill language to address funding in future years.  
**Vote:** 2-1 (Cox)
  - Issue 5B: Transitional Housing Placement Program (THPP)**  
**Action:** Increase funding for THPP by \$4 million General Fund and adopt placeholder trailer bill language to eliminate the county share of cost for the program.  
**Vote:** 2-1 (Cox)
  - Issue 5C: Dependency Drug Courts**  
**Action:** Approve the May Revision funding for Dependency Drug Courts, plus \$3 million General Fund to expand Dependency Drug Courts to additional counties.

Adopt technical conforming changes in the Department of Alcohol and Drug Programs as needed. **Vote:** 3-0

**Issue 5D: Kinship Care Program**

**Action:** Establish a new Kinship Care Program, funded outside of TANF/MOE. Eligibility for this program is similar to KinGAP, but aid payments include a specialized care increment and clothing allowance available in the Foster Care program. Approve \$8 million General Fund to fund the specialized care increment and clothing allowance. Adopt placeholder trailer bill language to extend eligibility for Kinship Care assistance to probation youth who have been living with a relative for at least 12 months, has kin guardianship case, and whose case has been terminated with the juvenile court. Adopt other placeholder trailer bill language as needed for this action.

**Vote:** 2-1 (Cox)

**Issue 5E: Adoptions**

**Action:** Approve \$4 million additional General Fund for additional efforts to help with the adoption of hard to place foster children.

**Vote:** 2-1 (Cox)

**Issue 5F: Chafee Scholarship Program**

**Action:** Approve \$5.7 million to fully fund all eligible foster youth that applied for the Chafee Scholarship program and address the three month federal funding delay for issuing awards.

**Vote:** 2-1 (Cox)

**Issue 5G: Performance Improvement Plan (PIP) Initiatives**

**Action:** Adopt the May Revision funding increase but redirect most of the funding to the CWS Outcome Improvement Project (AB 636 outcome system). Maintain \$1 million in the PIP initiatives to expand the standardized safety assessment statewide.

**Vote:** 2-1 (Cox)

- **Issue 6: County Cost of Doing Business for Social Services**

**Action:** Adopt placeholder trailer bill language to reestablish methodology to survey actual costs, and require future budget documents to document the degree to which those costs are reflected in the budget.

**Vote:** 2-1 (Cox)